

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6636

BILL NUMBER: HB 1171

NOTE PREPARED: Apr 8, 2003

BILL AMENDED: Apr 3, 2003

SUBJECT: Motor Vehicle Accident Reports.

FIRST AUTHOR: Rep. Herrell

FIRST SPONSOR: Sen. Long

BILL STATUS: As Passed - Senate

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill: (1) provides that person who operates a motor vehicle without proof of financial responsibility commits a Class C misdemeanor if the person has a prior unrelated judgment; (2) increases the threshold apparent amount of damage to property caused by an accident for which a report must be filed to \$1,000 and makes corresponding changes to related statutes.

Effective Date: July 1, 2003.

Explanation of State Expenditures: (Revised) *Part (2) - Threshold:* For the Bureau of Motor Vehicles (BMV) which compiles and reports on the number of accidents at the current threshold of \$750, there will be a reduction in related expenditures. On average over the last three years, approximately 40,000 such reports were filed. The fund affected is the Motor Vehicle Highway Account which supports the BMV.

In addition, with the higher threshold level, this proposal may reduce the number of investigations conducted and reports filed by the State Police and local law enforcement officers.

Explanation of State Revenues: A higher property damage threshold may reduce the amount of fee and fine revenue from the enforcement of the provisions on traffic regulation and proof of financial responsibility.

Part (1) - Penalty Provision: If additional court cases occur and fines are collected, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class C misdemeanor is \$500. Criminal fines are deposited in the Common School Fund. If the case is filed in a circuit, superior, or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund.

Explanation of Local Expenditures: (Revised) *Part (2) - Threshold:* With the higher threshold level, this proposal may reduce the number of investigations conducted and reports filed by local law enforcement officers.

Part (1) - Penalty Provision: A Class C misdemeanor is punishable by up to 60 days in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

Explanation of Local Revenues: (Revised) *Part (1) - Penalty Provision:* additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected: Bureau of Motor Vehicles.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Citations and Suspensions Reports for the last three years.

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